RESPONSE
TO
2ND REVIEW OF NOTICE OF INTENT
TO
COMMENCE LARGE MINING OPERATIONS

Deseret Generation & Transmission
Diamond Mountain Resources Mine

M/047/066

R647-4-101 - Filing Requirements and Review Procedures

The Mine Operator, Ned B. Mitchell Construction, has reduced the area of the storage piles to below 1.5 acres, as required by his Air Quality Approval Order. This has been accomplished since the inspection of October 2001 and verified by a GPS survey conducted by Rocky Mountain Surveyors on 31 July 2002. See the revised Map 2 - Surface Facilities.

Mitchell Construction and Deseret G&T consider those areas of the site which are reasonably subject to discernible wind erosion to be adequately " ... stabilized to prevent wind erosion". The areas in which the vegetation has been disturbed - which may make them subject to wind erosion - are sprinkled as needed. That sprinkling adequately prevents wind erosion. The material going through the crusher-conveyor is also sprinkled. Because it is damp as it's stockpiled, a crust develops which acts to prevent wind erosion. Additional sprinkling of the stockpiles further establishes a very hard crust. The traffic way is sprinkled as needed; and sometimes a magnesium chloride brine is used on it. Whatever areas may not be sufficiently stabilized are certainly less then 5 acres.

R647-4-105 - Maps, Drawings & Photographs

105.2 Surface Facilities Map
The area labeled as H-5 is no longer subject to use as a laydown area. The access road continues to abut the reclaimed area. To do otherwise would be to disturb additional area. Deseret G&T disputes that the access road abutting the reclaimed area negatively impacts it to the point of removing it from consideration as being in the process of reclamation.

The 2.7 acre area of Map 2, shown as being under reclamation, is in fact 1.13 acres. It has exhibited some minor settlement of the backfill. Deseret G&T considers that to be a natural process consistent with reclamation. Nonetheless, the cracks have been filled. The slope of the surface has been examined and found to be approximately 37%. The slope is not unstable.

The mining processes will progress through this 1.13 acre area at some point in the future

of the mine. At that time the soils will be salvaged from the area for re-use. Because this anticipated "mining through" will occur some 10 years from now - and 8 years beyond the areas successful reclamation - it should qualify as a successfully reclaimed area until such time as it is again disturbed.

The product stockpiles in place as of 31 July 2002 are as indicated on the revised Map 2 - Surface Facilities included herein. The areas labeled as "Reject 9" and "Reject 10" are not stockpiles which contribute to Mitchell's 1.5 acre stockpile limitation. "Reject 9" is material being used for backfill, reclamation and traffic way maintenance. "Reject 10" is an area of combined safety berm and excavated material soon to be fed into the crusher system.

A GPS survey of the entire impacted site was conducted on July 31, 2002 by Rocky Mountain Surveyors. Their findings are the source of the revised Map 2 - Surface Facilities. The total impacted area at the present time is 15.92 acres; of which approximately 4 acres are in the process of reclamation.

Map 2A - Future Surface Facilities, included herein, represents the anticipated progress of mining during the next five years; and the future location of the surface facilities within the active mine site over that period.

Included herein is Map 4A - Full Extent of Reclamation. It depicts the ultimate extent of the mine and mine disturbances. Referencing Map 4A, the following revisions are made to the previously submitted "106.3 - Estimated Acreage:

Areas of actual mining (ultimate)	28.5	
Overburden/waste dumps	Incl	(backfill)
Ore and product stockpiles	Incl	(1.5 ac)
Access/haul roads	0.6	
Associated on-site processing facilities	Incl	(2 ac)
Tailings disposal	0.0	
Other (sediment pond)	Incl	(2 ac)
Other (topsoil borrow)	12.2	
Total Acreage	41.3	

The full mining claim encompasses 80 acres. But actual mining and associated reclamation disturbances will only affect 41.3 acres over the full life of the mine.

Throughout the area disturbed by mining, necessary reclamation treatments will be employed. What constitutes "necessary reclamation treatments" will be determined by the needs of the area being reclaimed. For example, high walls and benches will be demolished and graded to slopes of 1v:3h (nominally). The bottom of the mine will be ripped and graded as necessary. Salvaged soils will be placed and seeded as explained elsewhere in the NOI. Mulching will be used wherever it is determined to be needed. Map

4A is a representation of this overall intent.

R647-4-106 - Operation Plan

106.3 Estimated acreages disturbed, reclaimed, annually
As previously cited, a GPS survey was conducted on July 31, 2002 by Rocky Mountain Surveyors. It established a total impacted, or disturbed, area of 15.92 acres. Of that area, approximately 4 acres are already in the process of reclamation. See the included revision of Map 2 - Surface Facilities.

Deseret G&T anticipates a mine face width of 325 ft or less, an overall height of 55 ft or less and a 2 % upslope of the pit bottom. However the economical recovery of quality limestone is the purpose of this mine and in consideration of that; the anticipated configuration may be revised by the Operator if circumstances so warrant. The anticipated configuration shall not be construed as a limitation or a requirement.

106.6 Plan for protecting & redepositing soils
Deseret G&T disagrees with the suggested plan to limit the disturbance area by not taking soils from otherwise non-disturbed areas as soil borrow. The Plan of Operation approved by the Forest Service, and agreed to by Deseret G&T, provides for obtaining topsoil from within the 80 acre mine site, for redistribution in reclamation efforts. (See Appendix E, Reclamation Best Management Practices, Environmental Assessment, USDA.) The revision of Map 7 - Limestone Mine Map Soils, included herein, depicts the anticipated location of soil borrow areas.

In all future disturbances, care will be taken to salvage/harvest as much of the soils as possible, and to protect them from deleterious substances and effects after salvage. The average depth of topsoil is 12 inches. Half of that amount would have to be returned to the area from which it was taken as part of the reclamation of that area. The other half would be available for use elsewhere, as needed.

Map 2 - Surface Facilities has been amended to show where the salvaged soil stockpile will be located. It has been placed adjacent to the north fence so as to be removed from day-to-day activities and thereby protected from contamination.

106.7 Existing vegetation - species and amount
The source of the narrative description of the vegetation information found in Appendix A is the "Land Systems Inventory for the Ashley National Forest". The Forest Service (Mr. Sherel Goodrich, Vegetation Specialist) has asserted to Deseret G&T that the vegetation at the mine site is typical to that of the areas cited. The seed mixture found in Paragraph 110.5 (c) of the NOI is from Appendix E, Best Management Practices, of the Environmental Assessment. It was provided to Deseret by the Forest Service and it reflects the typical species mix of the site. Deseret G&T considers this information sufficiently site specific.

Backfilling of Pit - truck and FE loader	$2.60 x 16,448 cu yds = $42,765
Backfilling of Pit - Dozer	$0.50 x 8224 cu yds = $4,112
Topsoil replacement - dozer (6 inches over 9 acres)	$0.50 x 807 cu yds = $404
Topsoil replacement - truck and FE loader (6 inches over 9 acres)	$2.60 x 807 cu yds = $2,098
Broadcast seeding	$225 x 9 acres = $2,025
Equipment mobilization	$1000 x 5 pieces = $5,000
Reclamation Supervision	$386 x 30 days = $11,580
Well Plugging (water, monitoring, test bores)	$2,475
Reclamation of Sediment Pond	$2.60 x 5185 cu yds = $13,482
10% contingency	$10,417
Single-Payment Compound-Amount Factor S=P[(1+.0312)*5]	$133,606

This is an average cost per disturbed acre of: $8,403

III. Once the Mine site is developed as indicated by the Plan of Operation;

A. Reclamation activities will be ongoing. This will result in there being less then the current 15.92 acres upon which this Bond amount is based.

B. Highwalls and benches will not be constructed on either side of the Mine face. The mine face itself will not exceed 325 ft in width. The total difference in height from the pit bottom to the top of the mine face is anticipated to be no greater then 55 ft between now and 2007. This surety estimate is based on this configuration.